

# PAY GAP REPORT 2019

AT CLIFFORD CHANCE, WE ARE COMMITTED TO CREATING AN INCLUSIVE ENVIRONMENT BASED ON MUTUAL RESPECT WHERE EVERYONE HAS AN EQUAL OPPORTUNITY TO SUCCEED.

We see diversity and inclusion as a core value of our firm. It is an issue of fairness and justice. As a firm we are committed to delivering these values within our firm, for our clients and in the wider world.

We are also committed to transparency. It is only when we are open and honest about where we are, that we can design the best targeted and tailored strategies to deliver real change.

At Clifford Chance, we are proud of our history as a firm that shapes and leads the legal sector. We see our commitment to transparency as rooted in that tradition. That is why we were the first law firm to include the total annual earnings of partners in our pay gap data; so that we could show ourselves and the world the true distance that has to be travelled to deliver equal opportunities for everyone in our firm.

Last year, we added ethnicity, sexuality and disability data to our reporting, alongside gender, not because we had to but because we felt we needed to if we are to truly drive change.

We continue to report this way and examine closely the causes of our pay gaps. Over the past year, we have designed and implemented a range of strategic interventions to address these causes, which we consistently monitor and review. Some of these interventions are set out in this report.

We think the metrics show that changes are still needed. These require both innovative and meaningful leadership from the top. We aim to deliver equality of opportunity and a culture that is fair, inclusive and empowers individuals.

While this is a UK report, we are encouraged to see the effect it has had across our offices worldwide and we are optimistic about our expanded programme of innovations and interventions over the coming year. These include introducing a timeframe for our gender target, setting ethnicity targets, a global reverse mentoring scheme, new objectives required of leaders, and a range of exciting global partnerships with clients and civil society to help realise significant change.

It is said that it takes time to produce the meaningful change we seek, but for us this remains unsatisfactory. While we are pleased to see our numbers start to shift in the right direction, we are determined to find accelerators that will break through the all-too-gradual pace of change in the sector.

## LEANA COOPOOSAMY

on investment in expertise

“In an ideal world, I wouldn’t have a job as an Inclusion, Diversity & Wellbeing Specialist. We wouldn’t need a role like mine to ensure that we have a diverse and inclusive working place where people understand each other.

I’m part of a global inclusion team that has grown from one to four people over the past year, and I’m inspired by what we’ve achieved in a relatively short period of time – not just in the firm, but in the ecosystem in which we exist, together with our clients, our community and our families.

It begins with our people. As a firm, we need our people to believe in us and what we say, and we remain focused on helping everyone to feel part of something worthwhile and supported to be their best.

Culture is the hardest thing to challenge. But once you’re able to, the results are dramatic. I want to see Clifford Chance be at the forefront of changing the legal sector for the better, and I’m excited to be part of that change.”



# PAY GAP REPORTING

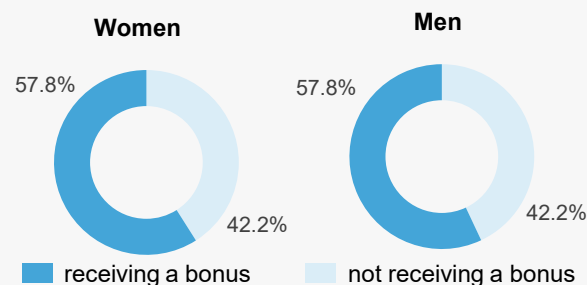
## Statutory 2019 Gender Pay Gap Reporting

The Gender Pay Gap aims to show the distribution of men and women across different roles within an organisation and highlight where there may be concentrations of a particular gender at lower or higher pay levels. The Gender Pay Gap legislation is not aimed at showing equal pay for the same role; this has already been a legal requirement since the Equal Pay Act 1970. The firm examines that question regularly and we are confident that we pay women and men equally for the same roles. Our 2019 data shows that, based on hourly rates of pay, women's pay is 20.0% lower (mean gap) than that of men. The median gap is 37.0%. As a percentage, overall female pay and bonus is lower than male pay and bonus as follows:

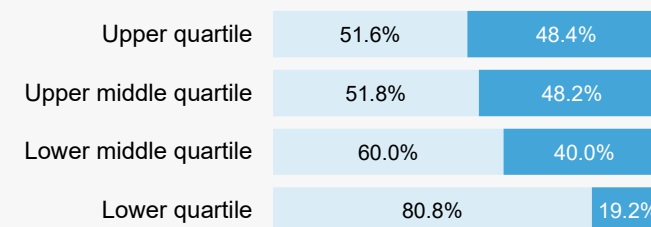
### Pay and bonus gaps (% less than men)

	Mean	Median
Hourly Pay Gap	20.0%	37.0%
Bonus Gap	37.9%	44.3%

### Proportion of employees receiving a bonus



### Proportion of men and women in each pay quartile band



For more details on the definitions used in this report and the % change since our 2018 Report, please refer to Appendix 1.

## Our 2019 Overall Gender Pay Gap Data

We believe that the gender pay gap is an important issue for our entire firm. The law does not permit us to include our partners in the statutory calculations. The legislation only allows inclusion of employees; our partners are not employees. However, in order to have a complete understanding of the issue and to help our efforts to tackle gender imbalance, we feel it is important to show the gender pay gap for the whole of our UK firm including all partners and employees. We have therefore continued to include our partners in our overall reported figures in order to offer a more transparent view of the firm. In this report, the 2019 overall pay gap data includes the pay gap data for UK subsidiaries of the firm.

### Overall Pay Gap

	Mean	Median
Pay Gap	65.7%	41.8%

### Partner Pay Gap

	Mean	Median
Pay Gap	27.5%	40.6%

### Associate Pay Gap

	Mean	Median
Hourly Pay Gap	4.8%	3.4%

### Business Professionals Pay Gap

	Mean	Median
Hourly Pay Gap	25.8%	35.2%

### Our Overall Pay Gap remains significantly impacted by two main factors:

- The level of remuneration that the partners receive, and the proportion of women in the UK Partnership (24.3% of the total UK partners are women).
- The high proportion of women in our secretarial roles who make up a large part of our lower quartile population.

Our partner pay is a share of the firm's profits, much of which is not paid monthly. We think the most honest and informative way to show the figures is to look at total annual FTE pay for UK-based partners and employees (including FTE bonus) rather than looking only at a single month snapshot (which would not include significant amounts of our partner pay).

## CINDY BUTLER-HILLS

### on career advancement

"I began my career at Clifford Chance as a Legal Support Secretary and am now working towards my CIPD (Level 5) qualification as an HR Advisor.

During this time, I've had the opportunity to explore new paths through secondments in areas like Events and additional responsibility, such as managing our presence at Davos. It was covering the role of admin assistant to the Senior HR Manager in my department that inspired me to gain external accreditations in HR through our apprenticeship scheme.

In recent years, I've seen a noticeable increase in the different ways Clifford Chance is helping more people to progress this way. Structured appraisals help us focus on progression and how we might expand our skills. A further benefit is that, by encouraging people to try new roles, we can help to break down barriers that can exist between the secretarial, legal and business professional communities and create a more inclusive office environment.

I am hugely appreciative of how the firm has helped me to advance my career. I work more globally than ever before, every week I speak to someone new and the fact that I am still learning every day keeps me motivated and very positive about the future."



## MATTHEW NEWICK

### on our role in society

"As a leading law firm, I believe we have a moral obligation to take the lead on important social issues. That is why I supported the idea of publishing our partner gender pay gap data in our 2017 report, even though it wasn't mandatory and the data was not attractive. It is why I'm very proud of the groundbreaking work that the firm has done in courts around the world to progress LGBT+ rights. It's also why we are tracking the gender balance in our use of barristers and adopting a 'diverse slate' policy when recommending barristers to clients (on a 'comply or explain' basis).

Quite apart from social leadership, there is a strong pool of diverse talent at the bar, and we owe it to our clients to help them find it.

For me, inclusion and diversity are not just about doing the right thing but about making our business better. The competition for talent is brutal – we need to find that talent wherever it resides. Clients expect to see diversity in our teams. Diverse perspectives give better outputs for clients, reducing the risk of 'groupthink'. And our people cannot perform to their best if they feel like outsiders."



## DANIELLE DOUGLAS

### on the launch of 'REACH'

"Wanting equality should be important to everybody. Previously under the BAME (Black, Asian and Minority Ethnic) network, this was always our mission, but some people found it difficult to identify with the group. By rebranding to 'REACH' – 'Race Equality and Celebrating Heritage' – we are defined by a purpose that everyone can understand.

Through celebrating our differences, we want to diffuse any fear associated with accepting diversity and help people to unlock perspective and different schools of thought that they can apply to different aspects of their lives.

Consultation to management is a big part of this and as co-chair of REACH, I'm helping less diverse parts of the firm, such as our partnership, to think differently about how the firm can more accurately reflect the diversity of its employees.

It's encouraging to see this consultation welcomed and many people wanting to join the network, and I'm looking forward to seeing this enthusiasm converted into actions by all.

If we successfully learn how to celebrate our cultural diversity – whether that's being British or Japanese or Ghanaian – and create a truly inclusive environment, who wouldn't want to work here?"



# PAY GAP REPORTING

## Using ethnicity, sexuality and disability pay gap data to drive change

We believe that it is important to show pay gap data for the whole of our UK firm including partners and employees. The data presented here for our overall ethnicity, sexuality and disability pay gaps therefore includes data from all partners and employees. The overall pay gaps for ethnicity, sexuality and disability are impacted by the relatively small populations in each of these categories, which can have a disproportionate and significant impact on our pay gap figures. The data we have reported is another indication that our partners do not reflect the diversity we aim to achieve. Diversity in ethnicity, sexuality and disability will remain a key area of focus for us.

### Actions across all areas

- We continue to develop new reverse mentoring relationships for our partners and other senior leaders, and now have approximately 75 active pairings in the UK. We aim to further expand our reverse mentoring scheme in the coming year.
- We introduced diversity champions to challenge unconscious bias in pay/reward meetings.
- We regularly present diversity analytics to senior management and the partnership to drive targeted interventions.
- We have widened the membership of our Inclusion Committee, which has recommended a number of actioned changes that aim to raise awareness of the issues, gather further information, and eliminate unconscious bias in appraisals, salary/bonus discussions and work allocation.
- We partnered with the International Bar Association to conduct new research into bullying and harassment. We are now in the process of running a global series of seminars to raise awareness of the findings and tackle this issue in our sector.
- We continue to encourage our Career Development Mentors, who play an important role in every associate's career progression.
- Our group of Inclusion Advocates has grown to a community of 19 Advocates who can offer support to anybody in the firm on diversity-related matters.
- While we do not see affinity groups as a solution to our pay gap, they can play an important role as consultative bodies. We continue to encourage and support our affinity groups for gender parity (Accelerate>>>), LGBT+ (Arcus), ethnicity (REACH) and disability (Disability Action Group). Members of each network are brought into senior management discussions where appropriate.

### Public recognition

We are delighted with public recognition of our efforts. For example:

- We were ranked 19<sup>th</sup> in the Stonewall Top 100 Employers List for 2020
- Senior Associate Eraldo D'Atri was named in 2019's OUTstanding LGBT+ Role Models list
- Partner Chinwe Odimba named among 2019's EMpower 100 Ethnic Minority Executives
- Partner David Harkness was named on HERoes Advocate Role Model list 2019
- REACH co-chair Roy Appiah shortlisted as a 'Professional Services Rising Star' finalist at the 2019 Black British Business Awards.
- Accelerate>>> co-chair Alice Jefferis and vice-chair Hermione Allen shortlisted for charity Spark 21's 'Inspirational Women in Law' awards 2019.

## Overall gender pay gap

	Mean	Median
Pay Gap	65.7%	41.8%

## Overall sexuality pay gap

	Mean	Median
Pay Gap	27.5%	3.6%

## Overall ethnicity pay gap

	Mean	Median
Pay Gap	51.6%	0.0%

## Overall disability pay gap

	Mean	Median
Pay Gap	27.0%	2.7%

### Actions relating to gender parity include:

- Introducing a timeframe to achieve 30% women in the UK partnership by 2025.
- Making progress towards creating a more balanced secretarial population, developing the role into Team or Practice Assistant, eliminating gendered language in job descriptions and broadening our apprenticeship qualification to include Business Administration Level 3.
- Our enhanced shared parental leave benefit led to an average increase of five weeks in the length of time taken, enabling more people to take paid leave to be with their family.

### Actions relating to ethnicity include:

- Introducing a target of 15% of new UK partners (averaged over the next five years) being from ethnic minority backgrounds by 2025. We are also looking to introduce ethnicity targets for our senior lawyers and business professionals.
- Presenting data to all of our London partners highlighting differences in the career experiences of ethnic minority colleagues (e.g. shorter career tenure) and asking each London practice area to develop a plan to address them.
- Expanding our long-term partnership with diversity recruitment group Rare to encompass wider aspects of recruitment, including lateral as well as graduate hires.

### Actions relating to sexuality include:

- Running a number of Lunch & Learn sessions for 40-60 people at a time covering topics such as 'Bi Identities', 'LGBT+ Inclusive Language' and 'Life As A Trans Man'. The aim of these is to empower, educate and raise awareness internally.
- Hosting our ACCEPT conference, an all day and evening graduate recruitment event for LGBT+ students and graduates interested in a legal career with Clifford Chance.
- Enhancing visibility of our LGBT+ network Arcus, through our global 'Millions of Moments of Pride' campaign and exhibiting Pride Art across multiple offices.

### Actions relating to disability include:

- Completing an external accessibility audit, following which we are implementing a number of recommendations, such as upgrading the induction loops, improving illumination through the use of LED and introducing lower level storage and water taps on some floors.
- Holding regular disability forums to encourage openness and understand key issues.
- Running a Disability Open Day for schools, raising awareness of disability issues in younger students.



## PATRICK GLYDON

### on reverse mentoring

“Many of us may have the inclination to take positive action on issues relating to diversity and inclusion, but perhaps not the right information or language to take that forward. This is where reverse mentoring is so impactful: it provides a safe space to hear about a colleague’s experience within the firm, enabling both participants to appreciate and support each other’s different challenges. It establishes mutual trust and has given me the confidence to act in an informed way, driven by a desire to use my influence to bring about change.

For the last two years, I have been mentored on ethnicity by two fantastic women from different parts of our business, with different experiences and heritage. I have learnt a great deal and they have enhanced my ability to lead the finance function.

As a global firm, we have to ensure we’re thinking about colleagues in many different roles, right across the world. We all want to be judged on merit and see our efforts recognised.

I’m proud of being part of a team that not only embraces diversity, but strives to instil it within its every-day consciousness. This starts with understanding each other and I am grateful to both of my mentors for the time they have invested in me.”



## EMMA MATEBALAVU

### on being a visible role model

“As a partner and co-head of our Global Financial Markets practice in London, I hope that I can have a positive influence as a leader in the business. To my mind, each of us needs to play a part in changing the dynamic rather than expecting that others will change things if we wait long enough.

Everyone has to be a bit special to succeed in this firm, but I want to eliminate the myth that women have to be better than men to make it. We will only achieve gender parity when women do not face additional hurdles or question marks on their abilities.

I’ve had a lot of people mentor me throughout my career – male and female partners – and I am lucky that they still do. I try to support others in the same way. My main mantra is: be brave. Step outside your comfort zone. Ask what is the worst thing that could happen, which is usually not as bad as you first fear, and put your hand up to participate.

After 20 years at the firm, I continue to be impressed and humbled by the spirit of collaboration we share. Colleagues genuinely want you to succeed and will help you to do so. My gratitude for those who have supported me inspires me to do as much as I can for future generations at Clifford Chance.”



## WILL WINTERTON

### on shared parental leave

“Reflecting our commitment to supporting parental leave, the firm has a gender-neutral parental leave policy for partners.

I was fully supported by both colleagues and clients in my decision to take parental leave. Clifford Chance encourages everyone, irrespective of their role at the firm, to feel comfortable taking advantage of our parental leave policy if that is what is right for their family, free of expectation or judgement.

From a personal perspective, taking time to be with my son has given me a confidence and ease as a father which I may not have developed without us spending an extended period together, uninterrupted by work.

The firm’s shared parental leave policy is a true example of inclusion.

Benefiting mothers, fathers, LGBT+ families and beyond, it supports many different groups in many different ways, but all positive.”



# SUMMARY

Pay Gap reporting reminds us that we must increase and maintain momentum in relation to diversity and inclusion. Organisations which are best able to cater for a global and diverse client base and workforce will be those that thrive.

We are committed to following through on our plan of targeted, recommended actions to address these issues.

## Declaration

Our methodology for the statutory Gender Pay Gap reporting has been reviewed by a third party. We confirm that the data reported is accurate.



A handwritten signature in black ink that reads "M. A. Bates".

**Michael Bates**  
Regional Managing Partner, United Kingdom



A handwritten signature in black ink that reads "Laura King".

**Laura King**  
Global Head of People and Talent

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# APPENDIX 1

## DETAILED COMPARISON TO STATUTORY GENDER PAY GAP REPORTING IN 2018

### Pay and bonus gaps (% less than men)

	Mean 2018	Mean 2019	Difference	Median 2018	Median 2019	Difference
Hourly pay gap	21.8%	20.0%	-1.8%	37.0%	37.0%	0.0%
Bonus gap	48.5%	37.9%	-10.6%	44.3%	44.3%	0.0%

### Proportion of men and women in each pay quartile band

	Women 2018	Women 2019	Difference	Men 2018	Men 2019	Difference
Upper quartile	49.5%	51.6%	+2.1%	50.5%	48.4%	-2.1%
Upper middle quartile	52.4%	51.8%	-0.6%	47.6%	48.2%	+0.6%
Lower middle quartile	58.7%	60.0%	+1.3%	41.3%	40.0%	-1.3%
Lower quartile	81.2%	80.8%	-0.4%	18.8%	19.2%	+0.4%

### Proportion of employees receiving a bonus

	2018	2019
Women	59.0%	57.8%
Men	57.0%	57.8%
Difference	2.0%	0.0%

### Pay gaps by employee type (% less than men)

	Mean 2018	Mean 2019	Difference	Median 2018	Median 2019	Difference
Partner	25.9%	27.5%	+1.6%	30.5%	40.6%	+10.1%
Associate	6.9%	4.8%	-2.1%	6.5%	3.4%	-3.1%
Business Professionals	28.4%	25.8%	-2.6%	34.5%	35.2%	+0.7%

## How to read this data

### Mean

Mean figures represent an average, i.e. the compensation of the individuals included in the data, divided by the number of individuals.

### Median

If we rank each individual's pay/bonus data from lowest to highest, the median is the value in the middle of that list.

### Hourly Pay Gap

This reflects the equivalent hourly rate of pay for all employees of the firm, so long as they were in receipt of full pay in April 2019. This includes those working both part and full time.

In 2019, on a mean basis, women were on average paid 20.0% less than men. This gap has reduced by 1.8% since 2018, when women were paid 21.8% less.

### Bonus Gap

The bonus gap reflects the actual bonuses paid to employees in the 12 months to April 2019.

In 2019, on a median basis, women received an average bonus that was 44.3% lower than that paid to men. This gap has remained the same as it was in 2018, while the mean bonus gap has reduced significantly.

### Proportion of men and women in each quartile band

The quartile distributions divide our employees into four equal groups ranked from highest to lowest levels of pay. The proportions show the relative number of each gender in those groups.

In 2019, 51.6% of those employees in our upper pay quartile were women. This has increased by 2.1% since 2018, when 49.5% of the upper pay quartile were women.

### Proportion of employees receiving a bonus

This shows the proportion of employees who receive any level of bonus payment.

In 2018, 59.0% of women received some form of bonus payment. This has reduced in 2019, when 57.8% of women received a bonus, which is the same percentage as men receiving a bonus.

### Pay gaps by employee type

These figures break down the pay gaps for our major job families in the UK. We use 'Partners' to refer to members of Clifford Chance LLP. Associates are our other qualified lawyers. 'Business Professionals' refers to those employees whose role does not include giving legal advice.

In 2019, on a mean basis, female Associates were on average paid 4.8% less than men. This gap has reduced by 2.1% since 2018, when women were paid 6.9% less.

Pay gap data for UK subsidiaries of the firm is included in our 2019 overall pay gap data, but not our statutory data.

# APPENDIX 2

## COMPARISON TO CLIFFORD CHANCE'S PAY GAP REPORTING IN 2018

### Overall gender pay gap

	Mean 2018	Mean 2019	Difference	Median 2018	Median 2019	Difference
Pay Gap	68.9%	65.7%	-3.2%	45.7%	41.8%	-3.9%

### Overall ethnicity pay gap

	Mean 2018	Mean 2019	Difference	Median 2018	Median 2019	Difference
Pay Gap	52.0%	51.6%	-0.4%	0.0%	0.0%	0.0%

### Overall sexuality pay gap

	Mean 2018	Mean 2019	Difference	Median 2018	Median 2019	Difference
Pay Gap	35.6%	27.5%	-8.1%	-0.2%	3.6%	+3.8%

### Overall disability pay gap

	Mean 2018	Mean 2019	Difference	Median 2018	Median 2019	Difference
Pay Gap	61.9%	27.0%	-34.9%	0.4%	2.7%	+2.3%

#### How do we collect this data?

Our gender data is informed by official reporting figures required for tax purposes. Our further diversity information is collected on a voluntary basis through our HR self-identification portal. The proportion of people who have responded to our requests to provide diversity information is:

Ethnicity: 78.8 %

Sexuality: 65.6%

Disability: 71.1%

Those who have chosen not to disclose their data have been excluded from these calculations.



**C L I F F O R D**  
**C H A N C E**

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